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DEVELOPMENT INFORMATION SYSTEM FOR WEST BANK AND GAZA

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DEVELOPMENT INFORMATION SYSTEM

FOR WEST BANK AND GAZA

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EXECUTIVE SUMMARY

This report analyzes linkages between the A.I.D. program strategy for economic assistance to the West Bank and Gaza (WB/G) and assistance activities being implemented by A.I.D.-supported PVOs; and recommends key indicators to form the basis of a development information system for the PVOs operating in the Occupied Territories.

In 1987, a four-point strategy was articulated to more clearly define U.S. program goals and measure progress toward those ends. This WB/G strategy essentially consists of the following goals: 1) promotion of WB/G economic growth, 2) creation of a more favorable policy environment, 3) increased capacity of institutions to support economic activity, and 4) improved social services. The analysis of the relationship of the portfolio being implemented to the WB/G program strategy found that PVO interventions do not completely respond to the strategy. While aspects of ongoing implementation activities were found to be generally correlated to each of the broad goals except creation of a more favorable policy environment, PVO interventions did not mesh together in the way a country program at an AID mission would in the sense of assistance activities linked to one another and designed to achieve a common set of interrelated objectives. However, the collection of PVO portfolios was viewed as being as responsive as possible to local needs given available resources and assistance-delivery intermediaries' areas of specialization. The special circumstances in the West Bank/Gaza, particularly: 1) the lack of a Mission Action Plan process to establish "country program"-to-project linkages; 2) the absence of U.S. direct hire A.I.D. field personnel responsible for achieving and monitoring WB/G program goals; and 3) the capacities and inclinations of PVOs as implementing agents which emphasize direct delivery of goods and services rather than implementation of a well-targeted assistance strategy; 4) the fact that the PVO programs have been on-going for at least 10 years, while the strategy was drafted within the last two years, all help to explain why the recently drafted A.I.D. strategy is not being 100% implemented at this time..

Given the immensely difficult and highly charged political environment, the present PVO programs in the area were assessed as not unreasonable. However, for purposes of conventional "country program" impact measurement, only partial measurement of A.I.D. program strategy was regarded as achievable using proxy indicators relying principally on rapid appraisal techniques. As measures of achievement of promotion of economic growth through agricultural assistance, the following program-level impact indicators were recommended:

- 1) Increase in hectares (dunams) under cultivation (to be reported in tandem with number of farmers assisted increasing cultivated land area).
- 2) Increase in production of selected dry-land and tree crops (such as wheat and olives, possibly also melons, almonds, and oranges).

A rapid rural appraisal technique, a non-random directive survey using focus group interviews, was recommended for collection of such baseline and post-test data.

To measure increased capacity of public and non-public institutions to support economic activity, the following program impact indicators were selected:

- 1) Average annual increase in gross sales among assisted firms and community groups.
- 2) Total increase in annual employment (full-time and part-time) among assisted firms and community groups.
- 3) Number and percentage of new businesses still operating 5 years after project completion.
- 4) Number of new cooperative members and percentage increase by type of cooperative.

For the first two of these indicators, it was recommended that a stratified sample of small enterprises assisted be established for regular monthly visits by PVO business extension agents to track gross sales and employment. Assessment of businesses still operating five years after project completion was thought to require an independent, centrally-funded evaluation. Cooperative membership registration was viewed as adequate to monitor rates of growth of cooperative membership.

As program-level measures of improved social services, the following indicators were identified:

- 1) Percent decline of reported diarrheal diseases in children of mothers attending health education programs.
- 2) Percent increase in weight of children breast-fed and eating semisolid foods at 6 months whose mothers attend health education programs.
- 3) Percent increase in number of women reached by health education program who delivered their last child in hospital or clinic.
- 4) Increase in number of patients treated by health care institutions supported by the PVOs.

- 5) Increase in amount and percent of assisted health care institutions' operating costs covered by the institutions' income.

Interviews conducted with health care workers annually, compared to clinic and health program records, were regarded as sufficient to collect such data. Various indicators, mostly at output-level, were suggested for project-level monitoring of the balance of the WB/G program.

Among recommendations proposed were the following:

- 1) That serious considerations be given to re-evaluating the WB/G strategy goals in light of the analysis presented;
- 2) that PVOs be asked to develop purpose-level objectives for all portfolio components; and,
- 3) that special background studies be considered for such topics as: the impact of market road construction, operation of the public finance sector, analysis of human resource needs, analysis of recurrent costs for institutions, and an examination of crop trading patterns.

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DEVELOPMENT INFORMATION SYSTEM FOR WEST BANK AND GAZA

I. OBJECTIVE OF THE STUDY

This report analyzes the monitoring, evaluation, and progress reporting potential of A.I.D.-supported private voluntary organizations (PVOs) operating in the West Bank and Gaza (WB/G). The primary objectives of the study were to:

- 1) Develop "program-level" indicators most suitable for aggregating performance data across PVO portfolios to assist the AID/W-based WB/G Working Group track progress toward meeting the goals laid out in the current WB/G strategy statement.
- 2) Identify "project-level" (PVO grant program) indicators for monitoring inputs, outputs, and purpose-level impact and assist the PVOs systemize and aggregate progress reporting.

The scope of work (Annex 1) for the consultancy identified a range of tasks for improving monitoring and evaluation at the "program" and "project" level. Consultations with Working Group revealed that some members gave highest priority to the development of "program-level" indicators for use in reporting overall program impact to external audiences, particularly Congress. Others stressed that emphasis should be given to assisting the PVOs streamline "project-level" progress reports and improve impact reporting. In both cases, greater reliance on quantitative indicators is to be achieved without requiring a substantial increase in data collection beyond that currently or potentially generated by projects.

Initial analysis followed an inductive approach concentrating on the identification of project-level output and impact indicators, and secondarily program-level impact indicators, for which data could readily be collected by PVO field personnel. Owing to the inadequacy of project documentation to set forth purpose-level objectives and EOPS indicators, field work initially focused on summarizing each PVO's portfolio to delineate groupings of subprojects, or grant components, that reflected the level of synthesis sought for monitoring outputs and impact. Draft output and impact indicators were prepared for each component representing a significant share of A.I.D. financial support. Emphasis was subsequently given to identifying cross-cutting impact indicators capable of demonstrating broad based impact toward WB/G program goals. The analysis focused on identifying indicators that could be monitored by the PVOs without assessing the adequacy of the linkages between the WB/G program strategy and PVO grant programs.

Discussions with ANE/DP/E led to a modification in the original scope of work to include an analysis of the probable measurability of existing goals. This more deductive approach is intended to assess the linkages between the WB/G program strategy and the actual nature of the portfolios being implemented as well as the difference between optimal measures of goal achievement and PVO capacity to measure program level impact. The current study addresses the relationship of the portfolio to the A.I.D. program strategy, discusses what kinds of measures would ideally be used for the existing goals, and then identifies a limited number of PVO activities which can be said to be directly linked to goal measurement.

II. WB/G PROGRAM GOALS

West Bank/Gaza Program Goals

The original purpose of the WB/G program was to "improve the standard of living of the Palestinian people and to demonstrate continuing concern of the American people for their humanitarian and economic needs" (ANE/MENA, "West Bank/Gaza Project Portfolio", draft undated, p.1). In the early years of the WB/G program, many projects were in welfare, vocational training or health care, reflecting the types of activities which the PVOs had been supporting with private resources before A.I.D. funding became available. A.I.D.'s focus began to shift in 1978 from humanitarian activities to those addressing longer term development needs, particularly projects designed to expand opportunities for earning income (ANE/TR/HR, "A.I.D. Supported Programs in the West Bank and Gaza", 17 November 1986, p.2). A.I.D. program priorities continue to emphasize increased employment and income, especially by stimulating private sector activity, yet support is also given to social service delivery due to the severity of needs, particularly in the Gaza Strip.

In the course of cooperation with the Government of Jordan and its development program for the West Bank, the following four-point strategy was articulated in order to more clearly define U.S. program goals and measure progress toward those ends (ANE/DP/E, "U.S. Economic Assistance to the West Bank and Gaza", March 1989, p.2):

- Goal 1: Promotion of West Bank/Gaza growth by
 - (a) facilitating market entry, market access, management and production in the agricultural and manufacturing sectors;
 - (b) stimulating financial market development; and,
 - (c) stimulating community-based income generation.

- Goal 2: Creation of a more favorable policy environment for West Bank/Gaza individuals and enterprises, in particular in the agriculture and manufacturing sectors, to stimulate and expand export markets and promote efficient financial market development.

- Goal 3: Increased capacity of public and non-public institutions to support economic activity in the Occupied Territories, particularly through
 - (a) private enterprise organizations;
 - (b) financial market institutions;
 - (c) municipal and village governments; and,
 - (d) non-municipal non-profit institutions.

Goal 4: Improved social services in the West Bank and Gaza.

Even though Jordan has withdrawn from active involvement in the West Bank and Gaza, the above goals set forth in the October 1987 strategy statement titled "The Direct West Bank/Gaza Program" remain the most recent statement of USG purpose (ANE/DP/E, "U.S. Economic Assistance to the West Bank and Gaza", March 1989, p.2).

III. RELATIONSHIP OF PORTFOLIO TO PROGRAM STRATEGY

This section discusses the relationship of existing and planned PVO activities to the 1987 four-point statement of A.I.D. strategy. The fact that PVO interventions and A.I.D. strategy do not completely overlap is reviewed and factors contributing to this are explored. A "defacto strategy" is identified, and PVO interventions are correlated to some elements of the A.I.D. strategy. Issues involved in measuring progress toward these strategic elements are presented in the next chapter.

Intervention and Strategy.

The four-point A.I.D. strategy is not being fully implemented in the West Bank and Gaza. Certain strategic elements are not being implemented at all through the PVO programs (although other on-going dialogue does address some points, such as policy dialogue), or are being addressed to such a limited extent as to have little measurable impact (which is the specific interest of this report). Other strategic elements that are being implemented are not fully integrated either within or between PVO portfolios. Lacking integration and full coverage of strategic elements, the overall portfolio is more accurately characterized as seeking to be as responsive as possible to local needs, given the PVOs' areas of expertise, rather than specifically implementing the A.I.D. program strategy.

Table 1 presents an overview of PVO activities that correlates PVO portfolio components to the broad goals of the WB/G strategy. This table is intended to show that certain strategy elements are not being implemented by the PVOs, particularly Goal 2 "creation of a more favorable policy environment... to expand export markets and promote efficient financial market development." While the CDP will support strengthening of cooperatives that offer credit as a service to their members, it appears unrealistic to expect Government of Israel export policy or formal financial institution credit policy to change appreciably as a result of CDP interventions. Efforts to encourage trade agreements between European importers and selected Palestinian cooperatives constitute only a minor aspect of CDP activities and are unlikely to bring about broad systemic change in the governmental climate toward exports of Palestinian agricultural products.

With the exception of CRS and SCF small enterprise assistance components, Goal 3 "increased capacity of public and non-public institutions to support economic activities" is not very well addressed by PVO interventions. While generally related to Goal 3, CDP and Amideast training programs are too long-term and indirect in nature to demonstrate achievement of program goals. While project-level M&E systems can be

established to track progress toward project objectives, it is questionable whether measurable progress toward program level goals can be achieved by these training programs.

Certain strategic elements not being implemented for reasons explained above. Another factor complicating measurement of impact is that other strategic elements that are being implemented are not fully integrated either within or between PVO portfolios in an additive or complementary manner. For example, additive integration between PVOs would be achieved had CRS and SCF coordinated construction of farm-to-market roads and other infrastructure sub-projects within designated hinterlands of urban markets to improve urban-rural physical linkages. Complementary integration within a single PVO's portfolio would be achieved, for example, had CRS targeted the same villages for both infrastructure and health education assistance where justifiable.

Some sectoral integration within individual PVO components is evident in the WB/G program. For example, the CRS Life Cycle/Health Education project combines instruction from nutrition, hygiene, child development, and first aid areas of health programming. ANERA also demonstrates a degree of integration within its portfolio by the complementarity apparent between its rural and urban components. Yet the overall portfolio of PVO grant programs is not structured as a unified whole to achieve a common objective or set of related objectives, in a manner typically sought by Mission Action Plans.

The fact that PVO interventions and A.I.D. strategy do not completely overlap can be attributed to the following factors:

- (1) The lack of a Mission Action Plan process to articulate strategic objectives, targets, and tactics, and establish "country program"-to-project linkages as well as linkages between projects;
- (2) The absence of U.S. direct hire A.I.D. field personnel responsible for coordinating, achieving and monitoring WB/G program objectives;
- (3) The capacities and inclinations of PVOs as implementing agents, which emphasize direct delivery of goods and services rather than implementation of a multi-faceted long-term assistance strategy; and
- (4) The fact that the PVO program has been on-going for over ten years, while the strategy was only drafted in 1987.

Since the WB/G program does not have a mission or senior U.S.A.I.D. field officers to manage implementation, but depends instead on oversight from the AID/W Working Group and the Consulate in Jerusalem as well as the Embassy in Tel Aviv, it

has no A.I.D. program officer-type to assist it to develop Action Plans. This missing link has a direct bearing on the ability of A.I.D. to develop and implement a coherent, integrated strategy easily amenable to identifying indicators and measuring overall impact, on a program (rather than individual project activities). The lack of an Action Plan to set intermediate level objectives below the goal level results in:

No capability to set near term (two or three year) objectives and targets which could provide a means to measure the high order goals;

No opportunity to design new PVO grants or redesign existing ones to more closely fit these objectives; and

Specific needs implicit in the CDSS/Action Plan process on which to base a well-targeted assistance strategy.

The nature of the WB/G strategy has limited correspondence to the institutional strengths of PVOs as well as their capacity to measure program-level impact. PVOs traditionally have specialized in programs which either target specific sectors (health, cooperatives, training) or focus on broad-based community development objectives. They are noted for direct access to beneficiary groups based on understanding of community needs and good working relationships with local groups. Most PVOs have clear strategic objectives for their organizations and prefer to work in tandem with donors on mutually agreed common goals.

The PVOs working in WB/G have objectives other than those set by A.I.D. which could be broadly defined as: (1) improving the quality of life for Palestinians, (2) working toward community self-sufficiency; and (3) assisting in improvement of the local environment (sanitation, adequate streets, etc.). These objectives while of substantial benefit to the communities they serve, do not in and of themselves link directly to the strategy which A.I.D. has established although they may contribute in some way to each of the program goals except creation of a more favorable policy environment.

In addition to this apparent incompatibility of medium term goals, PVOs find coordinating among themselves a difficult undertaking under most circumstances. This is due not to lack of good will but to both lack of overlap of activities between sectors as well as competing approaches to problem solving in similar situations. For example microenterprise lending programs may have different objectives than cooperative development although they both may contribute to economic growth in the long term. Asking them to compare results in the short

term may pose problems in terms of individual PVO strategies. In addition, most PVOs are staffed with active project implementors which see getting things done as their key objective, not measuring results.

"Defacto Strategy" Being Implemented

The WB/G program is not a "program" in the sense of a set of project, nonproject or policy dialogue actions linked to one another and designed to achieve a common objective. Rather, the collection of PVO portfolios can be viewed as fulfilling a strategy of being as responsive as possible to local needs given available resources and assistance-delivery intermediaries' areas of specialization.

The closest "fit" between A.I.D. strategy and PVO interventions are the following:

Goal 1: Promotion of West Bank/Gaza growth by
(a) facilitating market entry, market access, management and production in the agricultural sector.

ANERA's Rural Agricultural Development component which involves a program of assistance to 35 village-based agricultural cooperatives; 10 regional marketing cooperatives; 13 livestock, dairy and poultry cooperatives; and 7 irrigation system cooperatives.

CRS' construction of farm-to-market roads as part of its Infrastructure component.

CRS' Agriculture component involving the introduction of appropriate technology, improved dry-land farming methods, improved seeds, and extension services.

SCF's Agriculture component involving the distribution of household animals (such as pigeons and rabbits), equipment, improved seeds, and the construction of retaining walls, fencing, water conservation ponds, and cisterns.

Goal 2: Creation of a more favorable policy environment for West Bank/Gaza individuals and enterprises, in particular in the agriculture and manufacturing sectors, to stimulate and expand export markets and promote efficient financial market development.

No PVO programs have been established to implement this goal., and no performance indicators can thus be established. However, there is a continuing dialogue being carried on at senior A.I.D. and Embassy levels.

Goal 3: Increased capacity of public and non-public institutions to support economic activity in the Occupied Territories, particularly through private enterprise organizations.

SCF's Economic Development component involving a \$1 million Revolving Loan Fund for farmers, small scale enterprises, and community groups and \$168,000 for technical assistance.

CRS' Small Enterprise Development component involving grants to micro and small enterprises, feasibility studies, and training.

Goal 4: Improved social services in the West Bank and Gaza.

CRS' Life Cycle/Health Education project involving 200 health educators active in 250 villages.

CRS' Infrastructure component involving the construction of village streets, water systems, health clinics, schools, community centers and villages electricity systems.

SCF's Infrastructure component involving the construction of latrines, sewage lines, small scale treatment systems, roads, water lines, and repair of cisterns and wells.

ANERA's Social Services Development component involving training, education, rehabilitation of 10 institutions, institution building for 30 health care institutions, and support for productive project by 15 charitable societies.

Amideast's proposed Health Manpower Development component involving needs assessment, training, material and technical assistance to health care institutions.

While several PVO components can be generally correlated to elements of A.I.D. strategy, only a few of these PVO interventions are sufficiently broad based and aggregateable to have measurable impact. Many PVO activities, such as construction of multi-purpose community centers or village interior streets, may be necessary first steps in a process to

establish the PVOs' creditability with the local community and motivate collective action before other development interventions can be initiated that require behavioral change, such as adoption of new farming methods.

PVOs are particularly well-suited to the task of identifying local needs and developing appropriate responses within the extremely uncertain and difficult context of the West Bank and Gaza. However, the resultant pattern of PVO interventions does not readily lend itself to program level impact measurement. Difficulty in determining measurable impact is most evident for PVO components concerned with the delivery of social services, listed above under Goal 4. With the exception of the CRS Life Cycle/Health Education project and Amideast's proposed Health Manpower Development component, these social service activities are characterized by diverse and small-scale subprojects which may contribute to but cannot be directly correlated to goal-level impact measurement.

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IV. MEASUREMENT OF WB/G PROGRAM GOALS

Ideally the measurement of program level goals follows a CDSS analysis where major sectoral intervention choices are made based on macroeconomic analysis, areas of comparative donor advantage, and opportunities which exist in the host country. These choices are further articulated in the Action Plan when medium-term targets are set and related to new or existing projects in the Mission's portfolio. Since none of these conditions are present in the case of the WB/G program, identification of program-level impact indicators is based on an analysis of optimal measures of goal achievement and an assessment of proxy indicators that could be monitored by the PVOs, or measured through special centrally-funded evaluations.

- Goal 1: Promotion of West Bank/Gaza growth by
- (a) facilitating market entry, market access, management and production in the agricultural and manufacturing sectors;
 - (b) stimulating financial market development; and
 - (c) stimulating community-based income generation.

Typically, the most desirable impact indicators of economic growth through agricultural assistance concern changes in income, productivity, and production. Income is notoriously difficult to measure as it is regarded by survey respondents as sensitive information. This is especially true in the West Bank and Gaza where the Government of Israel functions as tax collector. Income can also fluctuate widely over short periods of time (especially for the poor) and becomes a greater problem when measuring the income of self-employed workers. Household consumption data is favored by social scientists as a proxy for income as it is not regarded as sensitive as income information, it does not fluctuate as widely and therefore is a more stable measure of living standards, and it avoids problems encountered in measuring the income of self-employed workers. However, measurement of household consumption also requires sophisticated survey techniques and was considered to require a substantial increase in data collection beyond that readily accommodated by the PVOs or available through allocated resources.

Experience has shown that time-consuming and expensive household surveys of income and living standards do not yield significantly better data than rapid appraisal techniques or measurement by proxy indicators. Multi-purpose household surveys are better suited to situations where little is known about the communities served and reconnaissance information is

needed to clarify project intervention strategies. This is not the case with the WB/G program. Indicators directly related to project outputs and acceptable as proxies are therefore preferable.

In measuring productivity, crop yields per hectare were not selected as an indicator because of the difficulty in measuring yields accurately in non-research settings and expense in establishing adequate baseline information. However, productivity can be inferred if information is available on changes in the total amount of land under cultivation and total production. Data on the expansion of cultivated area and the increase in production of selected dry-land and tree crops among beneficiaries can be obtained through rapid appraisal techniques. Therefore, as proxies for increased farm income, productivity and production, the following are proposed as program impact indicators (these measures only apply to program assisted beneficiaries):

- 1) Increase in hectares (dunams) under cultivation (to be reported in tandem with number of farms assisted in increasing cultivated land area).
- 2) Increase in production of selected dry-land and tree crops (such as wheat and olives, possibly also melons, almonds and oranges).

Broad based impact can be shown by these indicators as they have the advantage of being applicable to a wide range of interventions by different PVOs. Increases in cultivated area and production can result from ANERA's assistance to cooperatives, CRS agricultural extension services, and SCF farm improvements.

Measurement of this goal is concentrated in the agricultural sector as the PVOs have little activity in the manufacturing sector. Financial market development is not being directly served by the PVOs. Small and micro-enterprise assistance is being done, but does not involve the development of intermediate financial institutions or the use of formal sector lending. Community based income generation is being addressed as part of PVO small enterprise assistance activities and therefore is discussed under impact measurement for Goal 3.

Goal 2: Creation of a more favorable policy environment for West Bank/Gaza individuals and enterprises, in particular in the agriculture and manufacturing sectors, to stimulate and expand export markets and promote efficient financial market development.

There appears to be no PVO activity directly linked to this goal and therefore for the purposes of this exercise, no indicators will be identified to measure progress in achieving this objective. The main policy constraints appear to begin with the project approval process by the GOI which the PVOs attest is quite lengthy. The likelihood of having a policy impact under the present political situation is remote. Policy reform dialogue is an activity best carried out by senior State department and USAID officials; some activity is on-going at this time. If and when the situation makes more action in this area possible, indicators will be developed for tracking it.

Goal 3: Increased capacity of public and non-public institutions to support economic activity in the Occupied Territories, particularly through

- (a) private enterprise organizations;
- (b) financial market institutions;
- (c) municipal and village governments; and,
- (d) non-municipal non-profit institutions.

This goal is basically in support of goal 1 and is not directly impact related. Activities related to this goal are in the small enterprise development, local organization training, participant training, and institutional development fields. Direct program impact through training and institutional development is not only difficult to measure but more importantly difficult to define.

SCR and CRS small enterprise assistance programs are directly related to element (a) of Goal 3. Net income or profits is an obvious indicator of business viability and the impact of small enterprise assistance. However, net income is an expensive and difficult indicator to monitor, as is change in enterprise asset value and productivity. Well-managed banks participating in donor-funded small enterprise lending programs have encountered difficulties in using such measures to determine small business profitability.

Relatively cost-effective and valid indicators of small business viability are gross sales (a composite of units produced and price per unit) and number of employees (full-time and part-time). Changes in gross sales and employment over time serve as effective indicators by showing increasing, constant, or declining trends in business performance. Therefore, as measures of program impact of small enterprise assistance activities, the following indicators are recommended.

Average annual increase in gross sales among assisted firms and community groups;

Total increase in annual employment (full-time and part-time) among assisted firms and community groups.

In interpreting employment as an impact indicator it is important to consider the objectives of the PVOs in this field. Much of their work targets enterprise formation which aims to integrate highly disadvantaged groups or individuals into the micro-economy. These kinds of programs are more closely related to community development initiatives as the enterprise assistance is frequently part of a broader social development program. Credit is typically tied to training and technical assistance, loans are small and often subsidized. The potentially high per beneficiary costs incurred in these programs are justified by the expectation of important social returns in terms of poverty alleviation and community improvement. Generally speaking, much of the direct benefit of such enterprise formation is in the form of income generation rather than employment or business growth.

Given this context, a third indicator is needed which measures the number of businesses still operating five years after project completion. This would serve as an effective impact measure of the sustainability of the enterprise formation efforts.

The urban services component appears to be directed at providing disparate infrastructure improvements. It is not developing municipal institutional capacity in the traditional sense of strengthening conventional urban services (police, fire, electricity, water, sewer, etc.) or building municipal tax, administration, or management capacity. As designed, it is very difficult to link to strategic goals. This is not to say that the activities undertaken may not be judged both needed and beneficial by the communities participating in them.

Short-term impact of institutional and capacity building assistance may be difficult to define and measure. A felt needs approach frequently used in human resource planning yields good measures for project strategy and output targets but does not address the broader issue of institutional performance over time or program impact. These capacity building activities under Goal 3 gain importance in their ability to contribute to Goal 1 and to link with other direct impact activities being undertaken. In and of themselves, their cost benefit may be problematic. An indicator that demonstrates increased capacity of non-public institutions to support economic activity is as follows:

Number of new cooperative members and percentage increase by type of cooperative.

Special problems are encountered in measuring the impact of training programs due to the time-lags involved before impacts

become measureable and the indirect nature of the intervention. Unless more detailed "tracer studies" of trainees' career paths are undertaken, measures of participant training generally focus on such indicators as "percent of participants returned to targeted job" or "number/percent of employed participants by type of training". Occasionally, qualitative measures are used such as "reported levels of satisfaction with training by participants and supervisors".

Indicators focusing on such measures as "number/percent of participants returned to targeted job" or "number/percent of participants returned and returned on time" are generally more applicable to programs that send students overseas for long-term academic training. While Amideast does administer such a scholarship program, U.S. and third- country training constitute a small part of the overall WB/G program.

It would be desirable to be able to determine whether training programs have impact on the development of a "critical mass" of person with needed skills within sectors or for specific institutions (e.g. schools, hospitals, extension services, clinics). An indicator for this aspect of capacity building would be:

Distribution of persons trained by gender and technical specialty and type of institution.

To determine the sustainability of the human resource capacity in an organization, the indicator would be:

Percent of participants trained still employed after three years disaggregated by institution and type of training.

This would permit calculation of program-wide training impacts by conventional measures (gender, technical field and type of training) as well as an indication of institutional impacts.

Goal 4: Improved social services in the West Bank and Gaza.

The Intifada has increased demand for basic services at the community level. PVOs have been making a major effort to respond to this need through a wide range of health education, infrastructure construction, and institution-building interventions. For purposes of measuring broad based program impact, the largest single-purpose "social service" intervention is the CRS Life Cycle/Health Education project. Complicating impact measurement, most other PVO activities concerned with the delivery of social services consist of diverse and small scale infrastructure projects, and indirect forms of institutional

development assistance. Under normal conditions SCF and CRS devote roughly half of their A.I.D. funds to various infrastructure projects, mostly village-level water, sanitation, and road improvements. SCF, CRS, ANERA, and Amideast provide training and material assistance to various social service institutions.

The mid-term evaluation (March 1987) of the CRS Life Cycle/Health Education project emphatically concurred with the project's focus on maternal education for improving child survival and rural health given that there is no health provider in the majority of Palestinian villages. The mid-term evaluation concluded that the project is definitely meeting its "health education objective" in terms of quantitative training targets, yet has achieved little progress toward its "institutionalization objective" due to financial and political constraints facing Palestinian organizations in the West Bank. The evaluation noted that special surveys conducted by CRS personnel represent the best hope of documenting project effectiveness and recommended use of intermediate indicators to permit estimates of cases or deaths averted. Among intermediate indicators recommended by the mid-term evaluation, the following are regarded as most suitable as program-wide impact indicators:

Percentage decline of reported diarrheal diseases in children of mothers attending health education programs.

Percent increase in weight of children breastfed and eating semisolid foods at 6 months whose mothers attend health education programs; and

Percent increase in number of women reached by health education program who delivered their last child in hospital or clinic.

These indicators, according to the March 1987 mid-term evaluation are all readily reportable, comparable across programs, and are consistent with those required by A.I.D.'s reporting system for its Child Survival Action projects (Pillsbury et. al., March 1987, p. 54).

Indicators of institutional strengthening applicable to the goal of improved social services identified in the course of field work include:

Increase in number of patients treated by health care institutions supported by the PVOs.

Increase in amount and percent of assisted health care institutions' operating costs covered by the institution's income.

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Other measures of institutional development, such as "installation of improved record-keeping and financial information systems", identified in conjunction with PVO field offices, appear more suited for "project- level," rather than "program impact," monitoring.

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V. RECOMMENDED STRATEGY FOR PROGRAM IMPACT MEASUREMENT

Goal 1: Promotion of West Bank/Gaza economic growth by facilitating market entry, market access, management and production in agriculture.

Indicators:

1. Increase in hectares (dunams) under cultivation among PVO program beneficiaries.
2. Increase in production of selected dry-land and tree crops (wheat and olives, possibly melons, almonds and oranges) among PVO program beneficiaries.
4. Increase in production of export crops
5. Increase in production of new products

Data Source:

A rapid rural appraisal technique, a non-random directive survey using focus group interviews, is recommended for collection of baseline and post-test data on cultivated area and production levels. A 10 percent sample could be drawn from farmers assisted by SCF farm improvements (ponds, cisterns, retaining walls, etc.) and improved seed recipients; from CRS technology adopters (improved seeds, farming methods, and such technologies as the seeder-drill, winnower thresher, and harvester-binder), and among the 35 village agricultural cooperatives assisted by ANERA. The directive sample involves assembling representatives of types of beneficiaries, in terms of both type of assistance provided (e.g., farm improvements versus improved seeds) as well as types of producers (e.g., tree crop, dry-land crop, or irrigated land producers). A common instrument for use by ANERA, SCF, and CRS to guide the focus group interviews would be necessary to ensure comparability of data collected, thus requiring technical assistance provided in unison to these PVOs. The focus group interviews could be conducted per crop season (wheat producers in July and olive producers in September) for information on production levels, and annually for information on change in cultivated area.

Goal 2: Creation of a more favorable policy environment for West Bank/Gaza individuals and enterprises, in particular in the agriculture and manufacturing sector, to stimulate and expand export markets and promote efficient financial market development.

No PVO programs have been established to implement this goal.

Goal 3: Increased capacity of public and non-public institutions to support economic activity in the Occupied Territories, particularly through private enterprise organizations.

Indicators:

1. Average annual increase in gross sales among assisted firms and community groups.
2. Total increase in annual employment (full-time and part-time) among assisted firms and community groups.
3. Number and percentage of new businesses still operating 5 years after project completion.
4. Number of new cooperative members and percentage increase by type of cooperative.

Data Source:

Baseline data on estimated gross sales and employment for existing firms targeted for expansion or transformation can be collected through credit or grant applications, verified by site visits by PVO business extension agents. Loan applicant recall for the preceding month will probably have to be relied upon and extrapolated to provide baseline annual gross sales data. During the start-up phase of data collection, a sample of assisted enterprises, stratified by size and type of business, could be established for regular monthly visits by PVO business agents to maintain records on gross sales and employment.

An assessment of the number and percentage of new businesses still operating five years after project completion will require an independent, centrally-funded evaluation.

Cooperative membership registrations can be aggregated annually to indicate rates of growth in participation.

Goal 4: Improved social services in the West Bank and Gaza

Indicators:

1. Percent decline of reported diarrheal diseases in children of mothers attending health education programs.
2. Percent increase in weight of children breast-fed and eating semi-solid food at 6 months whose mothers attend health education programs.
3. Percent increase in number of women reached by health education program who delivered their last child in hospital or clinic.
4. Increase in number of patients treated by health care institutions supported by the PVOs.
5. Increase in amount and percent of assisted health care institution's operating costs covered by the institution's income.

Data Source:

Interviews conducted with health care workers annually can be compared to clinic and health program attendance and weight records to get approximate values for indicators 1 and 2. In addition, focus group interviews with mothers attending the health education program can be used to compare findings whenever possible. For indicator 3, hospital and clinic records can be compared for a sample of women attending health education programs to see if any increases in attended births in medical facilities are evident. A baseline is needed for these indicators, to be followed by annual measurement and comparison for the rest of the life of the program.

Baseline data for indicators 4 and 5 can be established by examining hospital and clinic records for the current year and comparing data on an annual basis for the life of the project. Because of the Intifada, key improvement interviews of hospital or clinic staff may be necessary to get an estimate of use of the facilities prior to late 1987. Operating costs can be tracked by consulting current year budgets to establish a baseline and by comparing budget amounts contributed by PVOs over the rest of the project life. With increases in demand for services caused by increased injuries, it may be difficult to establish reliable baseline figures. PVOs may increase support to serve the needs of those injured, not to foster independence. Care should be taken to analyze the budgets carefully for these factors.

VI. RECOMMENDED INDICATORS FOR PROJECT-LEVEL MONITORING

The greatest single weakness of current PVO semi-annual progress reporting is the absence of a clear and concise overview of components that comprise each PVO's portfolio. Other major weaknesses of current reporting are the lack of purpose-level objectives and End-of-Project- Status (EOPS) indicators for each component. While it may not now be possible to establish EOPS indicators for ongoing activities, PVOs should be required to present a matrix presenting an overview of activities and financial data (as presented in Annex 4) as well as a statement of objective for each component.

Project level monitoring improvement will be discussed by implementing organization. Linkages with program level measurement needs have been made in Section IV above.

Catholic Relief Services (CRS)

The overview matrix for CRS shows that A.I.D. funds are allocated by strategic component as follows: Infrastructure (40.3%), Health Education (30.3%), Agriculture (14.5%), and Small Enterprise Development (2.9%).

As noted above, the largest component (in terms of A.I.D. funds) of CRS' program is construction of infrastructure projects. Outputs that clearly demonstrate achievements include:

- kilometers of roads cut/paved
- number of new classrooms added
- number of schools built and rennovated
- number of homes receiving clean water
- number of community centers built and rennovated
- number of homes lighted
- number of villages provided electricity

Although second largest in terms of A.I.D. funds, the CRS Life Cycle/Health Education project warrants special attention due to its significance as part of the overall WB/G program strategy. In the Life Cycle/Health Education component, CRS currently has approximately 160 health educators working in the field. CRS intends to increase its output to 200 health educators active in 250 villages. CRS has proposed to conduct a survey among a sample of the women receiving training under this component to collect such impact data. Such a survey could readily provide baseline for program and project levels. Output indicators recommended for the CRS Life Cycle/Health Education project include:

- number of village teachers trained
- number of sites of active health education
- children <5 weighed/month
- number of courses taught
- number of referrals for antenatal care

Other project-level impact indicators recommended by the mid-term evaluation of the CRS Life Cycle/Health Education project include:

- Percent of children weighed in last two months
- Percent of children malnourished by grade
- Percent of women receiving prenatal care during their last pregnancy
- Percent of children <5 enrolled in growth monitoring

The above indicators were recommended as readily reportable, comparable across programs, and consistent with those required by A.I.D.'s reporting system for its Child Survival Action projects. ANE/TR/HPN intends to award a technical services contract for the purpose of establishing a Health Information System for the West Bank/Gaza. Further attention will be given at that time to the design of indicators and installation of necessary systems and procedures.

In the CRS small enterprise component, CRS does not provide loans. Therefore, more traditional outputs of small enterprise lending programs, such as loan repayment rates are inapplicable. The following output measures are recommended for monitoring of the CRS small enterprise component:

- number of small and micro enterprises assisted
- number, average size, and total amount of grants issued
- range of business types receiving assistance

For CRS' agriculture component, indicators that provide data needed for program and project measurement are recommended. These include:

- number of new hectares (dunams) under cultivation (to be reported in tandem with the output measure number of farms increasing cultivated land area)

- number of farmers planting new varieties and adopting new technology (to be disaggregated by types of plant varieties and new technologies introduced).

American Near East Refugee Aid (ANERA)

ANERA's portfolio has three components: Rural Agricultural Development (56%), Urban Economic Development (15%), and Social

Services Development (12.5%). Rural Agricultural Development involves assistance to a variety of village and regional cooperatives. Urban Economic Development is concerned with assistance to municipalities in the construction of produce markets, slaughterhouses, sewage recycling systems for irrigation, and one municipal water conservation system in Gaza. Social Services Development encompasses technical and managerial assistance to charitable societies engaged in income-generating projects and health care institutions.

ANERA focuses on long-term development needs of Palestinians by assisting grassroots organizations to provide their communities with crucial services. In the present effort to streamline reporting using quantitative indicators to the furthest extent possible, ANERA has expressed concern that less quantifiable impacts, such as sustainability, institutional development, and replicability, may become less evident.

Output measures recommended for the ANERA Rural Development Component include the following:

- number of equipped tractors provided and operating
- number of hatcheries constructed and operating
- number of feedplants constructed and operating
- number of micro-dairies constructed and operating
- number, average size, total loan volume outstanding, and repayment rate

Output indicators for ANERA's Urban Economic component regarded as potentially capable of yielding important information are:

- number of dunams served by wastewater recycled for irrigation
- number of new and expanded small and micro enterprises within year of project completion" (differentiating between small and micro enterprises, and between new starts and expansion

For ANERA's Social Services component, recommended indicators are:

- Increase in population served by health care institutions
- Number of people trained by component
- total receipts from income generating projects

Save the Children Foundation (SCF)

SCF's portfolio is composed of four components: infrastructure (54.8%), economic development (11.6%), agriculture (14.3%), and health/education/ social development (19.3%). SCF regards agriculture sub-projects as part of its economic development component, but it is discussed separately here to avoid combining sets of sub-projects that differ in character. The distinction is also intended to facilitate reporting of financial data for the Revolving Loan Fund Grant separately from the Rural Community Development II Grant.

Output indicators recommended for the SCF Infrastructure component are intended to coincide with those recommended previously for the CRS Infrastructure component, to the extent possible.

- kilometers of roads cut/paved
- number of homes receiving clean water
- number of homes provided safe and adequate sewage disposal
- number of dunams served by wastewater recycled for irrigation

Other indicators are recommended for the SCF Infrastructure component as measures of replicability and sustainability, including the following:

- number of local groups and institutions involved in design, construction, and monitoring of demonstration projects
- number of demonstration projects replicated by families and communities

For SCF Health/Education/Social Development component, indicators suggested for project-level monitoring include the following:

- number of people receiving physiotherapy
- number of health workers trained
- number and percent of assisted social service institutions continuing services beyond year of project completion
- number of preschools repaired and equipped
- number of grants to organizations for income generation projects

For the SCF Revolving Loan Fund, output measures proposed are as follows:

- number of loan applications reviewed and approved
- average size and total loan volume outstanding
- number of small and micro enterprises assisted
- loan repayment rate

American Cooperative Development International (ACDI)

ACDI is the lead agency for ten U.S. cooperative development organizations in the implementation of the Cooperative Development Project (CDP) begun in 1986. The purpose of CDP is to develop the capability of Palestinian cooperatives to provide managerial, technical, production, marketing, and other services to its members on a continuing basis. Cooperative institutions are strengthened through training of board members, managers, technical staff, and members as well as through the provision of technical assistance and other inputs. CDP strategy in its early years focused on offering courses, technical assistance, and follow-up to the largest possible number of cooperatives. Training was concentrated in accounting, cooperative principles, marketing, director training, and training of trainers. Institutions receiving the greatest amount of training were agricultural, livestock, marketing, and oil-pressed cooperatives.

In its May 1988 proposal, CDP revised its strategy to include intensive technical assistance and an integrated training program for selected "model cooperatives" to serve as demonstration sites for services provided to the wider community of cooperatives. Selection criteria for the model cooperatives included geographical, sectoral, and size representation, extent of activity and staffing, willingness to provide requisite inputs, and potential for increased membership and replicability.

CDP submitted a proposal dated February 1989 that outlined an extension of project activities into such areas as credit, marketing, and assistance to village electric cooperatives. As part of its Best and Final Offer submission, CDP is currently responding to Working Group concerns for a further focusing of project strategy. The strategy currently being formulated involves a three tier approach: 1) intensive training and assistance to five "model cooperatives"; 2) secondary targeting of training and other assistance to six clusters or types of "core cooperatives", with three cooperatives of each type, and 3) training of other cooperatives to reinforce breadth of impact.

Other than "number of participant days in courses", output and impact measures shown for the program-wide "training" component will require further specification following completion of management audits and the determination of specific CDP interventions. For example, "improved management and board skills" could be documented by "adoption of budgets, workplans, and job descriptions" if development of these types of tools are determined appropriate by the management audits.

Indicators proposed for the remaining components of the Cooperative Development Project include the following:

CDP Credit Component Impact Indicators

number of cooperatives/cooperative members assisted
loan repayment rate

Indicators are not proposed for the Farm Machinery component, since use of such measures as "new dunams under cultivation" would involve double counting problems because CDP will be assisting cooperatives also working with ANERA.

CDP Marketing Component Impact Indicators

volume of produce marketed by cooperatives in the
domestic and export market

CDP Livestock/Dairy Component Impact Indicators

change in number of members owning livestock
change in member and cooperative livestock mortality
and morbidity

CDP Women in Development Component Impact Indicators

change in number of women cooperative members

American-Mideast Educational and Training Services (Amideast)

From 1977 to the mid-1980s, Amideast strategy focused on strengthening private, post-secondary educational institutions primarily through graduate scholarships to faculty. Amideast has subsequently begun to phase out its faculty development scholarship program and focus instead on support for faculty research, business-university linkages, administrative/planning capacity building for a wide range of public institutions, and business/technical training for small enterprise development. In its February 1989 proposal, Amideast proposed to address health manpower deficiencies by conducting a health training needs assessment and establishing various education programs for medical and paramedical personnel.

Amideast identifies five major components of its existing program: faculty development (34%), business-university linkages (8.5%), institutional development (15%), professional development (11%), and small business (4.2%). The proposed health program is shown as a sixth component.

For Amideast the first two indicators below provide data needed for program impact measurement. The third is recommended as an additional measure conventionally used in participant training impact measurement.

number of participants trained by institutional locus
(university faculty, cooperative membership, etc.) and
type of training

Percent of participants trained with continued
employment after 3-5 years at same or higher position
by institutional locus and type of training

number of training participants (by gender, technical
field, and type of training)

Society for the Care of Handicapped Children (SCHC)

Due to the limited time spent with SCHC officials, only
tentative suggestions are made regarding potential output and
impact indicators.

This project employs teachers from specific areas in the
Gaza Strip to work with neighborhood mothers of disabled
children aged from birth to four years. SCHC interviews
indicated approximately 500 children are enrolled in the
project. Parents are provided training in early infant
stimulation, nutrition, hygiene, child development and behavior
management, and the value of an enriching environment. Previous
evaluations have noted that the project meets basic criteria as
a non- categorical admission policy, structured and sequenced
curricula, individualized objectives and records, regular
in-service staff training, and the conduct of child development
assessments every six months.

Further discussions with SCHC could consider the
establishment of output and impact indicators that address the
following measurement issues:

Outputs

increases in training/hiring of teachers
evidence of teacher performance
linkages with speech therapy, physiotherapy,
audiological services
cost/effectiveness of services provided
enrollment timeliness

Impacts

increase in beneficiaries served
indicators of child development gains
parent participation and satisfaction
replication by other WB/G community organizations

VII. RECOMMENDATIONS

1. As soon as possible, the Working Group needs to reach agreement with the PVOs on output and impact indicators to be monitored. This will first involve a determination by AID/W of essential indicators for PVO portfolio and overall WB/G program-level monitoring. The PVO field offices should then receive guidance on which of the tentatively proposed indicators are regarded as suitable, which warrant further refinement, and those viewed as less useful to AID/W or as requiring too costly data collection systems.
2. Other recommended follow-up actions by the Working Group include guidance on the specificity needed for input reporting, the availability of AID/W technical assistance in the design of specialized data collection techniques for particular types of indicators, and suggestions for refining specific impact measures.
3. Serious consideration should be given to re-evaluating the WB/G strategy goals in light of the analysis presented here-in.
4. PVOs should be asked to develop purpose level objectives for all portfolio components.
5. PVOs should be encouraged to request technical assistance from their headquarters as needed to improve project monitoring and establish baseline data sets.
6. Special background studies should be considered for the following topics which affect program choices and project success: impact of market road construction, operation of the public finance sector, analysis of human resources needs, analysis of recurrent costs for institutions, and examination of crop trading patterns.

METHODOLOGY

The principal analytic tool used in this assessment is the A.I.D. Logical Framework or LogFrame, which has been adopted by the Agency since the early 1970s as a guide to project design, monitoring and evaluation. The LogFrame involves use of a matrix to depict the if-then series of project design hypotheses leading from Inputs to Outputs to Purpose to Goal. Each level is defined by a set of measurable indicators and is based on a set of critical assumptions which are supposed to have a high probability of occurring.

Indicators are variables whose purpose is to measure change in a given phenomena or process. They are analytic tools which facilitate the measurement of change that may have resulted from development interventions. (from Krishna Kumar, unpublished draft report on June 1988 PPC/CDIE workshop on indicators). Indicators are developed in conjunction with objectives at each level of the LogFrame during project design as a test of hypothesis plausibility and to provide summary data useful in monitoring and evaluation. End of Project Status (EOPS) Indicators measure purpose-level achievement or impact and define terminal conditions for success of the project.

Monitoring, Evaluation and Reporting are processes carried out at both the project and program level. "Monitoring... is a continuous management activity that requires information about 1) the use of assistance resources according to plans and regulations, and 2) the interim results and effects of resources in light of initial or revised objectives... Evaluation [is] undertaken periodically to inform managers about key issues--relevance, effectiveness, efficiency, impact, and sustainability--before major decisions are made regarding A.I.D.-funded activities or future program development" (A.I.D. Evaluation Handbook, p. 2). Reporting is the transfer of information, gleaned from monitoring and evaluation activities as well as other sources, for internal and/or external management needs.

Since consultations with Working Group members clarified that highest priority should be given to assisting PVOs develop impact indicators, it was concluded that the starting point for such an effort would be an analysis of each PVO's activities to determine appropriate groupings of interventions for monitoring. Project-level documentation consists primarily of proposals, grant agreements, semianual or annual progress reports, mid-term and final evaluations. These forms of documentation were found not to adequately portray purpose-level objectives, anticipated impacts and key outputs in a readily comprehensible manner due to such factors as:

the complexity of PVO activities which could be more accurately characterized as portfolios composed of several components and numerous sub-projects;

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common weaknesses in LogFrames such as failure to specify EOPS indicators in terms of quality, quantity and time, or to list data sources more specifically than simply "project reports;"

the general tendency of progress reports to focus on the delivery of inputs, and only rarely move beyond the input- output level toward higher level effects; and,

variability in the quality of external evaluations to clearly rearticulate PVO strategy and report impact data at the level of aggregation sought in this analysis.

Consequently, it was determined that a chart (see Annex 4) summarizing each PVO's overall portfolio would first be developed with PVO field personnel to identify critical grant components that would be targeted for the formulation of indicators. Such an overview of each PVO portfolio was also regarded as potentially invaluable for reaching agreement among PVO field offices, home offices and the Working Group on precisely what groupings of sub-projects best reflect the level of synthesis sought by the Working Group for monitoring outputs and impact. To apply LogFrame concepts such as output and impact indicators to PVO grant programs, it was felt necessary to first delineate portfolio components with inputs, outputs, and objectives roughly comparable to those of conventional development "projects".

The second phase of the process involved preparation of output and impact indicators for each portfolio component representing a significant share of A.I.D. financial support. Output and impact indicators were prepared for approximately three to four of these components for each PVO. These indicators are intended for use by the PVOs in semi-annual progress reports to show new outputs achieved within the current six-month reporting period as well as to show impact accumulated over the life of the project. Reporting of input delivery was tentatively deferred pending Working Group advice on the level of specificity needed.

General guidance and specific examples were given to each PVO on the types of output and impact indicators regarded as desirable. In turn, the PVOs provided guidance on the types of data that could be collected as part of ongoing implementation activities and that best reflected the purposes of their portfolio components. Issues inherent to impact measurement that were discussed included the following:

- use of proxy indicators,
- differentiation between direct and indirect beneficiaries,
- attribution problems involved in impact measurement,
- measures of sustainability and institutional development,
- time-lags involved before impacts become measurable,
- variations in the explanatory power or "intuitive

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appeal"
of indicators for external audiences,

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special data collections problems encountered in the Occupied Territories, and,

the distinction between "country trend indicators" and "A.I.D. program performance indicators".

PVO drafts of suggested indicators were reviewed, refinements discussed, and in some cases several redrafts of proposed indicators were submitted by PVO personnel.

"Purpose-Level" Versus "Goal-Level" Indicators

In selecting impact indicators, a choice must be made between "purpose-level" indicators related to End-Of-Project-Status conditions, and "goal-level" indicators designed to measure the effects of development interventions on the recipient territory, economy, society, or natural resource base as a whole. Examples of "purpose-level" indicators are "crop yields" and "the amount of additional agricultural lands brought under irrigation" by a project. Examples of "goal-level" indicators are "per capita income", "gross national product", or "per capita consumption of calories" (Krishna Kumar, unpublished draft report on June 1988 PPC/CDIE workshop on indicators).

Generally, project managers need "purpose-level" indicator data for ongoing implementation decision-making, while program managers prefer "goal-level" indicator data for Congressional reporting or for use by Bureau senior management. Both "project" and "program" management interests are represented on the WB/G Working group. Often, implementors, such as PVO field staff, are neither interested in, nor particularly adept at, gathering and analyzing rigorous "goal-level" impact data. Since they are intimately familiar with the project implementation process, they are fully aware of impacts without needing to rely upon indicator data. In many cases, A.I.D. does not have access to reliable "goal-level" data, and the only feasible alternative is to infer impact from "purpose-level" indicators (Krishna Kumar, PPC/CDIE Workshop, June 1988). In the West Bank and Gaza, several conditions led to the decision to seek "purpose-level" rather than "goal-level" impact indicators: the limited capacity of PVOs to collect impact data, the absence of national scale institutions with data collection capabilities, and the added constraints to data collection by the PVOs presented by Israeli military occupation.

Criteria for Effective Impact Indicators

Three other sets of considerations or selection criteria affect the choice of program impact indicators: technical, practical, and program applicability. Technical and practical considerations refer to the basic criteria all objectively verifiable indicators (OVIs) must meet whether the indicators are intended to measure inputs, outputs, purpose or goal-level achievement. Program applicability criteria are meant to refer to the added considerations involved in the selection of indicators to track progress toward broad, multi-project,

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"country program" goals or in this case, the WB/G strategy statement goals cited above. The process used in

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this consultancy involved first working with each PVO to develop purpose-level indicators that meet technical and practical criteria listed below. Second, indicators were selected that meet program applicability criteria from among those developed with the PVO field personnel.

Technical Selection Criteria for Indicators (adapted from MSI Evaluation Workshop)

1. Plausible - Indicators must be clearly related to the achievement of the objective which is being evaluated. Plausibility involves the concepts of validity, sensitivity, and attribution. Attribution encompasses: a) determination whether anticipated/unanticipated changes have occurred in the impact area, and b) establishing whether these changes are causally related to the A.I.D. intervention.
2. Verifiable - Indicators must be capable of being proven accurate through the use of available, empirical evidence. This includes the concept of measurability which involves the need to establish indicators that can be represented by some element which can be counted or evaluated empirically.
3. Targeted - Indicators should be specified in terms of quantity (amount of product or service), quality (nature of units being counted), and time (time within which the objective will be achieved or frequency that the indicator will be measured).
4. Comprehensive - Indicators must measure what is important in the objective.

Practical Considerations in the Selection of Indicators (adapted from Krishna Kumar, unpublished draft report on June 1988 PPC/CDIE workshop on indicators)

1. Cost-effectiveness of data collection - Cost vary for different indicators depending on the magnitude of information required, scale of operation, and mode of data collection.
2. Timeliness - Indicators for which data can be gathered in an expeditious manner will better serve management and accountability needs of the Agency and other stakeholders.
3. Communicability - Preference should be given to indicators which are simple to understand and readily convey key information.

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Program Applicability Criteria

1. Aggregateable - Indicator data must be obtainable in comparable form from all pertinent PVOs to permit program-wide aggregation.
2. Broad Based Impact - Program impact indicators must show progress of sufficient significance to demonstrate broad based impact on the most basic needs of the recipient country, region, or territory.

Perhaps the greatest challenge in developing indicators of program impact for PVOs in the West Bank and Gaza is identifying indicators that demonstrate broad based impact toward strategic goals. This task is complicated by the diverse and often small scale character of PVO interventions, even within single components that dominate a given PVO's portfolio.

Following Working Group concurrence on the suitability of indicators proposed, as well as consensus between the Working Group and PVO headquarters, PVO field offices will then have the confidence of AID/W support to further refine indicator measures and develop the necessary systems and procedures for installation of a more streamlined information system. Concurrence on the suitability of indicators is also necessary to guide the PVOs in setting targets and collecting benchmark data.

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